



Substitute Senate Bill No. 865

Public Act No.15-105

***AN ACT CONCERNING ALLOWABLE COSTS FOR THE
INSTALLATION OF CERTAIN OVERSIZED WATER MAINS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (b) of section 22a-471 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) (1) (A) Any municipality not responsible for the pollution of the groundwaters [which] that is ordered to provide potable drinking water in accordance with subsection (a) of this section may apply to the commissioner for a grant as provided by this subsection. Except as provided in subparagraph (C) of subdivision (1) of this subsection and in subdivision (2) of this subsection, the commissioner shall make grants for the short-term provision of potable drinking water and the construction or installation of individual wells or individual water treatment systems, including, but not limited to, carbon absorption filters and shall make grants for other capital improvements for the long-term provision of potable drinking water from any bond authorization established for that purpose.

(B) The amount distributed to a municipality shall, as funds allow, equal one hundred per cent of the cost of short-term provision of

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potable drinking water, one hundred per cent of the cost of the engineering report required by this section, one hundred per cent of the cost of capital improvements for the most cost-effective long-term method of providing potable drinking water as determined by the commissioner and the Commissioner of Public Health upon consideration of such engineering report, and one hundred per cent of the cost during the first five years of installation of monitoring and maintaining individual water treatment systems and monitoring drinking water wells located in an area where the commissioner determines that pollution of the groundwater is reasonably likely to occur. No state funds shall be distributed to a municipality for the cost of operating or maintaining any potable water supply facilities other than as specified in this subsection.

(C) Notwithstanding any provision of this subsection to the contrary, the commissioner may advance to a municipality, from the proceeds of any bonds authorized for the provision of potable drinking water, any percentage of the cost of short-term and long-term provision of potable drinking water [which he] that the commissioner deems necessary.

(2) (A) If the commissioner is unable to determine the person or municipality responsible for rendering the groundwaters unusable for potable drinking water or if the commissioner determines that the responsible persons have no assets other than land, buildings, business machinery or livestock and are unable to secure a loan at a reasonable rate of interest to provide potable drinking water, a water company [which] that has less than ten thousand customers and [which] that owns, maintains, operates, manages, controls or employs a water supply well [which] that is rendered unusable for potable drinking water, may apply to the commissioner for a grant from funds established pursuant to section 22a-451 or from the proceeds of any bonds authorized for the provision of potable drinking water. If, upon

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review of the engineering report required by this subsection to be submitted with an application for such a grant, the commissioner determines that a grant to a water company from available appropriations or from the proceeds of any bonds authorized for the provision of potable drinking water is appropriate, the commissioner may make such a grant in accordance with regulations adopted by the commissioner pursuant to subsection (e) of this section.

(B) The total amount distributed to a water company pursuant to this subsection shall, as funds allow, equal fifty per cent of the cost of the engineering report required by this subsection and fifty per cent of the cost of the most cost-effective long-term method of rendering the water supply in question usable for potable drinking water, as determined by the commissioner and the Commissioner of Public Health upon consideration of the required engineering report.

(C) For purposes of this section, "water company" and "customer" have the same meanings as provided in section 25-32a.

(D) Any water company applying for a grant pursuant to this section shall prepare or have prepared an engineering report [which] that shall be subject to the approval of the commissioner and the Commissioner of Public Health and include, but not be limited to, a description in detail of the problem, area and population affected by pollution of the groundwaters; alternate solutions including relative cost of construction or installation, operation and maintenance; design criteria on all alternate solutions and any other information the commissioner deems necessary.

(3) (A) If a municipality or water company receives funding from a private source, a federal grant or another state grant for any cost for which a grant may be awarded pursuant to this section, the grant under this section shall equal the specified percentage of the costs specified in this subsection minus the amount of the other funding.

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(B) If a municipality or water company receives a grant under this section and is compensated by a person who or municipality [which] that is responsible for rendering the groundwaters unusable for potable drinking water, the municipality or water company shall reimburse the account from which the funds were made available for the grant as follows: If the compensation from the responsible party equals or exceeds the costs toward which the grant was to be applied, the municipality or water company shall reimburse the total amount of the grant; if the compensation is less than the cost toward which the grant was to be applied, the municipality or water company shall reimburse a percentage of the compensation equal to the percentage of such costs paid by the grant.

(4) (A) Notwithstanding any request for a hearing or a pending appeal therefrom, if a person or municipality responsible for pollution of the groundwaters fails to comply with an order of the commissioner issued pursuant to this section, the municipality wherein such pollution is located may, after giving written notice of its intent to the commissioner and the responsible person or municipality, undertake the actions required by the order and seek reimbursement for the cost of such actions from the responsible person or municipality. If at any time after receipt of such a notice, the responsible party intends to comply with a step of the order [which] that the municipality has not yet completed, the responsible party may do so with the written approval of the commissioner and municipality, provided the actions [which] that the responsible party takes are consistent with those taken by the municipality.

(B) The commissioner may order any person or municipality responsible for pollution of the groundwaters to reimburse the state, a water company, and any municipality [which] that is not responsible for pollution but received an order pursuant to this section or [which] that did not receive such an order but voluntarily provided potable

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drinking water, for (i) the expenses each incurred in providing potable drinking water to any person affected by such pollution, provided the required reimbursement for such expenses shall not exceed the actual cost of short-term provision of potable drinking water and an amount equal to the reasonable cost of planning and implementing the most cost-effective long-term method of providing potable drinking water as determined by the commissioner and the Commissioner of Public Health; (ii) costs for recovering such reimbursement; (iii) interest on the expenses specified in (i) at a rate of ten per cent a year from the date such expenses were paid; and (iv) reasonable attorney's fees. The commissioner may request the Attorney General to bring a civil action to recover any costs or expenses incurred by the commissioner pursuant to this subsection provided no such action may be brought later than ten years after the date of discovery of the pollution of public or private sources of water for drinking or other personal or domestic use.

(C) If a municipality fails to recover all expenses specified in subparagraph (B)(i) of subdivision (4) of this subsection from the responsible party, the municipality may apply to the commissioner for a grant in accordance with this subsection, provided the total amount of funds received from the commissioner and the responsible party shall not exceed the amounts specified in subparagraph (B) of subdivision (1) of subsection (b) of this section.

(5) For purposes of this section except subdivision (3) of subsection (a) and subparagraph (B)(ii) of subdivision (4) of this subsection, "cost" includes only those costs [which] that the commissioner determines are necessary and reasonable, including, but not limited to, the cost of plans and specifications, construction or installation and supervision thereof.

(6) If any grant application is pending on June 7, 1994, and is approved by the commissioner, the percentage of costs to be paid by

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the grant shall be determined in accordance with this section. Any order pending on May 31, 1985, shall be construed in accordance with this section.

(7) Any person who or municipality [which] that provides potable drinking water pursuant to this section may, with the approval of the commissioner, construct or install facilities beyond the areas included in the order or facilities [which] that are more costly than those [which] that are determined to be most cost-effective, provided any request for a grant or reimbursement shall be limited to the amounts specified in this section.

(8) Notwithstanding any provision of this section and the cost-sharing formula established in section 22a-471-1 of the Regulations of Connecticut State Agencies, for any area of a municipality that is adjacent to a federal Superfund site where there is a water line extension component to such project and the federal government is providing fire flow capacity while such water is groundwater supplied by a municipal water company, the minimum size water main required to address pollution may be upgraded in order to carry fire flow and the municipality shall only be responsible to pay the incremental project cost.

Approved June 19, 2015